

TO OUR DIRECT CUSTOMERS:

++ IF YOU HAD ANY PROBLEMS RECEIVING THIS FAX, OR IF YOU DID NOT ++
RECEIVE THIS ANNOUNCEMENT VIA FAX AND WISH TO RECEIVE FUTURE
ANNOUNCEMENTS IN THIS MANNER, PLEASE CONTACT OUR CUSTOMER
SERVICE OFFICE IN RICHMOND, VIRGINIA.

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IN ANNOUNCING OUR FALL INVENTORY MAINTENANCE PROGRAM, WE
EXPERIENCED SOME DELAYS IN NOTIFYING OUR DIRECT CUSTOMERS BY
EITHER FACSIMILE TRANSMISSION OR MAILGRAM. AS A RESULT OF
THESE DELAYS, MANY OF OUR CUSTOMERS MAY HAVE BEEN UNABLE TO
FULLY PARTICIPATE IN THE FIRST BUYING PERIOD, SEPTEMBER 8-18, 1992, OF
OUR FALL INVENTORY MAINTENANCE PROGRAM.

IN AN EFFORT TO ALLOW ALL CUSTOMERS TO TAKE ADVANTAGE OF OUR
REMAINING PROGRAM OFFER, WE ARE PLEASED TO ANNOUNCE THE
FOLLOWING CHANGES IN OUR FALL INVENTORY MAINTENANCE
PROGRAM.

PROGRAM DETAILS

DURING THE PERIOD SEPTEMBER 21-30, 1992, AFTER YOU HAVE PURCHASED
THE EQUIVALENT OF 1.75 AVERAGE WEEKS' SHIPMENTS BY BRAND AND
PACKING, WE WILL ALLOW YOU \$1.00 PER THOUSAND CIGARETTES ON
FULL PRICE PRODUCTS AND \$.75 PER THOUSAND CIGARETTES ON
CAMBRIDGE, ALPINE, BRISTOL AND BUCKS FOR ADDITIONAL PURCHASES
UP TO AN ADDITIONAL 2.5 AVERAGE WEEKS' SHIPMENTS BY BRAND AND
PACKING. AS DESCRIBED MORE FULLY BELOW, PURCHASES DURING THIS
PERIOD WILL BE LIMITED TO OUR PROGRAM OFFER.

THE TERMS OF THIS INVENTORY MAINTENANCE PROGRAM DO NOT
APPLY TO PURCHASES OF ANY OF OUR CURRENT TEST MARKET BRANDS
AND PACKINGS OR OUR RECENTLY INTRODUCED BRANDS MERIT ULTIMA,
MARLBORO MEDIUM 100'S, MARLBORO 5-PACK AND BENSON & HEDGES
SPECIAL KINGS.

PLEASE ORDER YOUR PRODUCT AS FOLLOWS:

<u>BUYING PERIOD</u>	<u>ORDER BY 12 NOON EDST</u>	<u>FOR SHIPMENT BY</u>
SEPTEMBER 21-30	THUR. 9/24	WED. 9/30

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OUR CREDIT TERMS FOR ENTITLEMENT PURCHASES THAT QUALIFY FOR THE SPECIAL PURCHASE ALLOWANCES DURING THE PERIOD WILL ALSO INCLUDE AN ADDITIONAL 30 DAYS' DATING FOR ALL CREDIT WORTHY CUSTOMERS.

THIS ANNOUNCEMENT DOES NOT APPLY TO PRODUCTS MANUFACTURED BY FAMOUS VALUE BRANDS. ALL ANNOUNCEMENTS REGARDING THESE PRODUCTS WILL BE COMMUNICATED BY FAMOUS VALUE BRANDS TO ITS CUSTOMERS.

PROGRAM DETAILS AND ORDERING INSTRUCTIONS

- + ALL ORDERS, INCLUDING STANDING ORDERS AND ORDERS HELD BY US FOR FUTURE SHIPMENT DURING THE PERIOD SEPTEMBER 21-30, 1992 , WILL BE INCLUDED IN THE CALCULATION OF QUANTITIES UNDER THIS PROGRAM.
- + ALL ORDERS ARE SUBJECT TO ACCEPTANCE BY OUR RICHMOND OFFICE AND TO STANDARD TERMS AND CONDITIONS OF SALE, PRICES, STYLES, AND SIZES IN EFFECT ON DATE OF SHIPMENT, EXCEPT AS MODIFIED BY THIS MAILGRAM.
- + A STATEMENT OUTLINING AVAILABLE PROGRAM PURCHASES BY BRAND AND PACKING IS BEING MAILED TO YOU UNDER SEPARATE COVER. SHOULD YOU NEED ASSISTANCE IN PLACING ORDERS, OR IF YOU WANT US TO PLACE YOUR ORDERS FOR THE FULL QUANTITIES AS SHOWN ON YOUR STATEMENT, PLEASE CONTACT OUR CUSTOMER SERVICE DEPARTMENT IN RICHMOND, VIRGINIA.

SHIPMENT LIMITATIONS

AS PREVIOUSLY STATED, DURING THE PERIOD OF SEPTEMBER 21-30, 1992, SHIPMENTS OF ALL PHILIP MORRIS U.S.A. BRANDS AND PACKINGS WILL BE LIMITED TO OUR PROGRAM OFFER.

THE TERMS AND CONDITIONS OF THIS ALLOCATION AS WELL AS OUR 110% ALLOCATION ON ALL PACKINGS OF MARLBORO, EFFECTIVE OCTOBER 1, 1992, REMAIN UNCHANGED.

ELECTRONIC PAYMENT PROGRAM (EPP) PARTICIPANTS

PLEASE CONSULT YOUR PROGRAM MATERIAL OR OUR EPP REPRESENTATIVE AT OUR EPP TOLL-FREE NUMBER IF YOU HAVE ANY QUESTIONS REGARDING EPP AS IT RELATES TO THIS ANNOUNCEMENT.

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MAXIMUM PARTICIPATION IN THIS PROGRAM MAY, IN SOME INSTANCES, BE AFFECTED BY DOLLAR-VALUE CREDIT LIMITS ESTABLISHED FOR YOUR COMPANY. IF YOU HAVE ANY QUESTIONS REGARDING YOUR DOLLAR-VALUE CREDIT LIMITS, PLEASE CALL YOUR PHILIP MORRIS CREDIT REPRESENTATIVE.

PHILIP MORRIS IS NOT LIABLE FOR ANY ERRORS IN THIS MAILGRAM THAT MAY OCCUR DURING THE TRANSMISSION PROCESS.

PHILIP MORRIS RESERVES THE RIGHT TO DISCONTINUE OR AMEND THIS PROGRAM AT ANY TIME WITH OR WITHOUT NOTICE.

THANK YOU FOR YOUR CONTINUED SUPPORT AND COOPERATION.

PHILIP MORRIS U.S.A.

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